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Business and commercial Aviation

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FAA POLICY STATEMENT ADDRESSES AIRPORT RESTRICTIONS, GRANTS

Federal Aviation Administration last week published a wide-ranging policy proposal regarding airport access and capacity that seeks to tie airport grants to assurances from airports not to impose operating restrictions that reduce capacity. In addition, it would require any proposed restrictions to be submitted to FAA for review (see complete proposal on the back of Pages 26-28).

Noise compatibility programs remain the responsibility of the airport operator, who is liable for any damages resulting from operation of the airport, said the agency. But "control of individual aircraft noise emissions and navigable airspace are federally preempted areas and are solely FAA responsibilities." Noise programs may include not only traditional areas, such as flight procedures, airport design and land use compatibility measures, but also extension of control over adjacent lands and land uses, said the agency. Airport use restrictions "may be considered only when other less restrictive alternatives are clearly shown to be inadequate and less effective." FAA will give priority in making grants for noise abatement purposes to airports that have undertaken Part 150 noise compatibility studies.

FAA said future airport grant agreements may seek assurances from airports to provide adequate landside capacity to handle airside capacity of runways and taxiways constructed with federal assistance. Landside capacity may not be used as a basis for "arbitrarily denying airport access to existing or potential users," said FAA. Agency will work with local sponsors to identify and implement capacity-increasing development but will not permit federal funds to be spent on land areas leased by airports on an exclusive basis. FAA will work with regional airport authorities to develop specialized uses for individual airports under their jurisdiction.

FAA said its general approach to access and capacity issues is based on the concept of shared responsibility for the airport and airway system. FAA is responsible for safe and efficient use of airspace, including airport runways and taxiways, but airport proprietors are responsible for provision of airport capacity. "We should strive to develop and operate a system of airports and airways with minimum restrictions," said the proposal.

LEARJET TO RETAIN BOTH PLANTS, BUT FURTHER CONSOLIDATION EXPECTED

Gates Learjet Corp. scrapped plans last week to consolidate all aircraft manufacturing operations at one of its two plants, even though the company has cut its employment by nearly 25 percent in the last few months and further cuts appear likely. Learjet said in November it would consolidate all manufacturing operations in Wichita (BA, Nov. 18/161), but last Thursday said it will continue manufacturing both there and in Tucson, Ariz. President James B. Taylor said an "exhaustive study...provided conclusive proof that...both the Tucson and Wichita facilities are necessary to achieve our objectives."

Number of Learjet employes has fallen from 1,955 in late October to 1,520 last week, including 868 in Wichita and 662 in Tucson. Production of new commercial aircraft has been suspended since mid-December. Activity since then concentrated on finishing aircraft that were already on the production line. Spokesman said officials are now "developing a personnel staffing plan" to determine

(Continued on the following page)

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REVISED AIRPORT AND AIRWAY TRUST FUND
Status As Of Oct. 31, 1985

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,425,506,743.43	$ 7,425,506,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	8,291,000.00	8,291,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	232,000.00	232,000.00
2. Non-commercial 9 cents tax	1,861,000.00	1,861,000.00
3. Non-commercial 3 cents tax	592,000.00	592,000.00
4. Transp by air,seats,berths,etc.	229,978,000.00	229,978,000.00
Use of international trav fac	9,299,000.00	9,299,000.00
Transp of property and cargo	19,258,000.00	19,258,000.00
Total Tax Receipts	269,511,000.00	269,511,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	0.00
2. Any liquid fuel except gas	0.00	0.00
3. Gasoline -Retailer's tax	0.00	0.00
4. Gasoline -Manufac. tax	0.00	0.00
Total Reimburse For Tax Refunds	0.00	0.00
Net Tax Receipts	269,511,000.00	269,511,000.00
C. Interest on Investments	96,327.65	96,327.65
Net Receipts	269,607,327.65	269,607,327.65
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	-399.66	-399.66
2. Grants-in-aid for airports	72,871,959.91	72,871,959.91
3. Facilities & equipment	34,587,618.56	34,587,618.56
4. Research engineering & development	31,522,948.74	31,522,948.74
B. NOAA weather services	2,171,000.00	2,171,000.00
C. Interest on Refund of Taxes	0.00	0.00
Total Expenditures	141,153,127.55	141,153,127.55
IV. BALANCE - END OF PERIOD	7,553,960,943.53	7,553,960,943.53

ASSETS :		
Undisbursed Balances:		$
Airport & Airway Trust Fund	32.01	
Operations	9,989.42	
Grants-in-aid for Airports	-53,299,533.15	
Facilities & Equipment	-20,145,334.20	
Research Engineering & Development	-21,464,210.55	
NOAA weather services	1,469,000.00r	
		$ -93,430,056.47
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-3/4% maturing JUNE 30, 1986	$ 7,410,218,000.00	
10-3/8% maturing JUNE 30, 1986	237,173,000.00	
		7,647,391,000.00
Total Assets		7,553,960,943.53
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,553,960,943.53
Total Liabilities and Equity		7,553,960,943.53

r=revised

Treasury Department Chart